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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
MSR RESORT GOLF COURSE LLC, *et al.*,[1]	)	Case No. 11-10372 (SHL)
Debtors.	)	(Joint Administration Requested)

MOTION OF MSR RESORT GOLF COURSE LLC, *ET AL.*, FOR THE ENTRY OF AN INTERIM ORDER AUTHORIZING CASH COLLATERAL USE, GRANTING RELATED RELIEF, AND SCHEDULING A SECOND INTERIM HEARING

[1] The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number include: MSR Resort Golf Course LLC (7388); MSR Biltmore Resort, LP (5736); MSR Claremont Resort, LP (5787); MSR Desert Resort, LP (5850); MSR Grand Wailea Resort, LP (5708); MSR Resort Ancillary Tenant, LLC (9698); MSR Resort Biltmore Real Estate, Inc. (8464); MSR Resort Desert Real Estate, Inc. (9265); MSR Resort Hotel, LP (5558); MSR Resort Intermediate Mezz GP, LLC (3864); MSR Resort Intermediate Mezz LLC (7342); MSR Resort Intermediate Mezz, LP (3865); MSR Resort Intermediate MREP, LLC (9703); MSR Resort Lodging Tenant, LLC (9699); MSR Resort REP, LLC (9708); MSR Resort Senior Mezz GP, LLC (9969); MSR Resort Senior Mezz LLC (7348); MSR Resort Senior Mezz, LP (9971); MSR Resort Senior MREP, LLC (9707); MSR Resort Silver Properties, LP (5674); MSR Resort SPE GP II LLC (5611); MSR Resort SPE GP LLC (7349); MSR Resort Sub Intermediate Mezz GP, LLC (1186); MSR Resort Sub Intermediate Mezz LLC (7341); MSR Resort Sub Intermediate Mezz, LP (1187); MSR Resort Sub Intermediate MREP, LLC (9701); MSR Resort Sub Senior Mezz GP, LLC (9966); MSR Resort Sub Senior Mezz LLC (7347); MSR Resort Sub Senior Mezz, LP (9968); and MSR Resort Sub Senior MREP, LLC (9705). The location of the debtors' service address is: c/o CNL-AB LLC, 1251 Avenue of the Americas, New York, New York 10020.

The above-captioned debtors and debtors in possession (collectively, the "Debtors") file this motion (this "Motion") for the entry of an interim order (the "Interim Cash Collateral Order"), substantially in the form attached hereto as **Exhibit A**, authorizing the Debtors to: (a) use Cash Collateral (as defined in 11 U.S.C. § 363(a)) on an interim basis pending a second interim hearing (the "Second Interim Hearing"); (b) prescribing the form and manner of notice and setting the time for the Second Interim Hearing; and (c) granting related relief. In support of this Motion, the Debtors respectfully state as follows.[2]

Introduction

Cash is the linchpin of the Debtors' business. Their ability to use cash is critical to the success of their ongoing operations and this restructuring. Absent the use of cash, the Debtors will be unable to make critical payments to their resort managers, suppliers, and other vendors and, thereby, will negatively impair their business operations and likely decrease the value of their lenders' collateral.

Prior to filing these chapter 11 cases and faced with an impending maturity payment default on February 1, 2011, the Debtors sought to enter into extension agreements with the lenders under their prepetition loans to allow the Debtors and these lenders to continue negotiations outside of chapter 11. Discussion with these lenders continued over the days and nights immediately prior to the commencement of these chapter 11 cases. Unfortunately, the Debtors were not able to obtain an extension agreement with each of their lenders, compelling the Debtors to file these cases. In the hours leading up to the commencement of these chapter 11 cases, the Debtors also negotiated with the special servicer of their mortgage loans to obtain

[2] The facts and circumstances supporting this Motion are set forth in the *Declaration of Daniel Kamensky of MSR Resort Golf Course LLC (A) in Support of Chapter 11 Petitions and First Day Motions and (B) Pursuant to Local Bankruptcy Rule 1007-2* (the "First Day Declaration"), filed contemporaneously herewith.

Cash Collateral use on a consensual basis. Although the parties have not yet reached a consensual resolution, the Debtors and their secured mortgage servicer have agreed to allow the use of Cash Collateral over a short interim period while the parties continue to negotiate terms for use of Cash Collateral on a final basis.

Importantly, the relief requested herein serves to facilitate the Debtors' seamless transition into chapter 11 by enabling the Debtors—subject to Court approval—to continue honoring obligations to suppliers and service providers, including the resort and asset management companies (who the Debtors reimburse regularly for expenses incurred), utilities, and others. It also ensures that the Debtors' operations continue in the ordinary course on an interim basis, preserving value as the parties continue to negotiate a final resolution. It, therefore, is beyond doubt that the Debtors require the use of cash to allow them to operate their resort enterprise consistent with prior practice and that such use will preserve value for the benefit of all parties.

Jurisdiction and Venue

1. The United States Bankruptcy Court for the Southern District of New York (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory bases for the relief requested herein are sections 361 and 363 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002 and 4001 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rules 2002-1(b), 4001-2, and 9013-1(m) of the Local Bankruptcy Rules for the Southern District of New York (the "Local Bankruptcy Rules").

Concise Statement of the Material Terms of the Interim Cash Collateral Order

4. Pursuant to and in accordance with Bankruptcy Rule 4001(b)(1)(B) and Local Bankruptcy Rule 4001-2(a), the material provisions of the Interim Cash Collateral Order, and the location of such provisions therein, are as follows:[3]

Summary of Material Terms		**Location**
Parties with Interest in Cash Collateral: [Fed. R. Bankr. P. 4001(b)(1)(B)(i)]	Mortgage Lender: Bank of America, National Association Special Servicer: Midland Loan Services, Inc. Depositor: Deutsche Mortgage & Asset Receiving Corporation	Motion ¶ 11, 14, 15; Int. Ord. ¶ 4
Interim Use of Cash Collateral: [Fed. R. Bankr. P. 4001(b)(1)(B)(ii)]	The Mortgage Borrowers (as defined herein) are hereby authorized, subject to the terms and conditions of the Interim Cash Collateral Order, to use Cash Collateral for property level costs and expenses related to the Mortgage Borrowers.	Int. Ord. ¶ 3
Termination Date: [Fed. R. Bankr. P. 4001(b)(1)(B)(iii); S.D.N.Y. Bankr. L.R. 4001-2(a)(10) & (c)(2)]	Termination Date: February 14, 2011, at 11:59 p.m., prevailing Eastern Time (the "Termination Date").	Int. Ord. ¶ 3
Amount of Cash Collateral to be Used: [S.D.N.Y. Bankr. L.R. 4001-2(a)(1)]	The Debtors are authorized, subject to the terms and conditions of the Interim Cash Collateral Order, to use Cash Collateral.[4]	Int. Ord. ¶ 3
Non-Debtor Affiliates [S.D.N.Y. Bankr. L.R. 4001-2(a)(15)]	No Cash Collateral may be used by or transferred to any non-Mortgage Borrower.	Int. Ord. ¶ 3

[3] This summary is qualified in its entirety by the provisions of the Interim Cash Collateral Order. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Interim Cash Collateral Order. To the extent there are any conflicts between this summary and the Interim Cash Collateral Order, the terms of the Interim Cash Collateral Order shall govern.

[4] It is unclear at this time how much of the Debtors' cash is Cash Collateral. Under the proposed Interim Cash Collateral Order, the Debtors are seeking authority to use all of the Cash Collateral until the Termination Date.

Relief Requested

5. By this Motion, the Debtors seek entry of the Interim Cash Collateral Order:

a. authorizing the Debtors to use the Cash Collateral of the Prepetition Secured Parties (as defined herein) in accordance with sections 361 and 363 of the Bankruptcy Code;

b. scheduling the Second Interim Hearing to consider entry of a second interim cash collateral order (the "Second Interim Cash Collateral Order") and establish notice procedures with respect thereto;

c. authorizing the Debtors to file a motion to approve the Second Interim Cash Collateral Order at least one business day prior to the Second Interim Hearing; and

d. granting related relief.

Background

I. General Background.

6. On the date hereof (the "Petition Date"), MSR Resort Golf Course LLC and 29 of its affiliates each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their business and manage their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Concurrently herewith, the Debtors filed a motion seeking joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b).

7. The Debtors invest in and own five luxury hotel and resort properties, specifically (a) the Grand Wailea Resort Hotel & Spa ("Grand Wailea") in Wailea, Hawaii, (b) the La Quinta Resort & Club PGA West ("La Quinta") in La Quinta, California, (c) the Arizona Biltmore Resort & Spa ("Arizona Biltmore") in Phoenix, Arizona, (d) the Doral Golf Resort & Spa ("Doral") in Miami, Florida, and (e) the Claremont Resort & Spa ("Claremont") in Berkeley, California (collectively, the "Resorts"). The Resorts are managed by third-party managers (the

"Resort Managers") and operate as independent resorts. The Debtors' business is managed by Pyramid Resort Asset Management LLC (the "Asset Manager").

8. The Resorts' employees are provided by the Resort Managers and most of the Debtors' corporate functions are provided by the Asset Manager. Consequently, the Debtors do not have any employees.

9. As of November 30, 2010, the Debtors' financial statements reflect consolidated assets totaling approximately $2.2 billion and consolidated liabilities totaling approximately $1.9 billion. Consolidated revenues for the three months ending December 31, 2010 were approximately $121 million. Consolidated 2010 annual revenues were approximately $465 million. Additional information regarding the Debtors' business, their capital structure, and the circumstances leading to these chapter 11 filings is contained in the First Day Declaration, filed contemporaneously herewith.

II. Summary of the Debtors Prepetition Indebtedness.[5]

10. In accordance with the transactions described below, as of the Petition Date, the Debtors had secured debt in the aggregate amount of approximately $1.525 billion, consisting of (a) a $1 billion mortgage loan (the "Mortgage Loan") and (b) four tranches of mezzanine loans (each, a "Mezzanine Loan" and, collectively, the "Mezzanine Loans") in the aggregate principal amount of $525 million. The instruments evidencing the Debtors' indebtedness are described below.

[5] The descriptions of the Debtors' prepetition debt facilities and the collateral securing those facilities provided herein does not constitute, and should not be construed as, an admission by the Debtors regarding the validity, priority, enforceability, perfection, or amount of any obligation, claim, guarantee, lien, mortgage, pledge, or other security interest, or any other fact with respect thereto, and the Debtors reserve all rights to challenge or dispute any of the foregoing on any basis whatsoever. Capitalized terms used within this summary of lenders with liens on Cash Collateral but not otherwise defined herein shall have the meanings set forth in the Interim Cash Collateral Order or the First Day Declaration, as applicable.

A. Mortgage Loan.

11. The Mortgage Borrowers[6] are borrowers under the Loan and Security Agreement, dated as of January 9, 2006 (as amended, restated, replaced, supplemented, or otherwise modified from time to time, the "Mortgage Loan Agreement"), by and among the Mortgage Borrowers and Bank of America, National Association, as successor by merger to LaSalle Bank National Association, as trustee for the Certificate Holders of Deutsche Mortgage & Asset Receiving Corporation, COMM 2006-CNL2 Commercial Mortgage Backed Certificates (as successor in interest to German American Capital Corporation, and together with its successors and assigns, the "Mortgage Lender"). Pursuant to the Mortgage Loan Agreement and the other documents executed in connection therewith, the Mortgage Lender extended financing to the Mortgage Borrowers in the aggregate principal amount of $1 billion, which principal amount remains outstanding as of the Petition Date.

12. The Mortgage Loan is secured by cross-collateralized and cross-defaulted first priority mortgages (the "Prepetition Mortgages") on certain of the Debtors' properties, including the Resorts (collectively, the "Mortgaged Properties"), and the products and proceeds thereof, including the cash generated by the Resorts' operations. In addition to the Prepetition Mortgages, the Mortgage Loan is secured by pledges of the equity interests of certain other Debtors that operate as brokerage companies in connection with certain resorts. The Mortgage Loan matures on February 1, 2011.

[6] The "Mortgage Borrowers" are the following Debtors: MSR Resort Hotel, LP (f/k/a CNL Resort Hotel, LP), MSR Resort Silver Properties, LP (f/k/a CNL Resort Silver Properties, LP), MSR Grand Wailea Resort, LP (f/k/a CNL Grand Wailea Resort, LP), MSR Biltmore Resort, LP (f/k/a CNL Biltmore Resort, LP), MSR Desert Resort, LP (f/k/a CNL Desert Resort, LP), MSR Claremont Resort, LP (f/k/a CNL Claremont Resort, LP), each a Delaware limited partnership, and MSR Resort Golf Course LLC, a Delaware limited liability company.

13. Although the Mortgage Loan is non-recourse to the Mortgage Borrowers, there are certain non-recourse carve-outs under the Mortgage Loan that are triggered if, among other things, an order for relief is entered with respect to the Mortgage Borrower under the Bankruptcy Code through the actions of the Mortgage Borrowers or any of its affiliates at a time when the Mortgage Borrower is able to pay its debts as they become due unless Mortgage Borrower or guarantor receives an opinion of independent counsel that the directors of the Mortgage Borrower have a fiduciary duty to seek such relief. The guarantors of the non-recourse carve-out provisions of the Mortgage Loan are MS Resort Purchaser LLC and MSR (together the "Guarantors"), both non-debtor subsidiaries of non-Debtor CNL-AB LLC.

14. Subsequent to the closing date of the Mortgage Loan Agreement, in February 2006, German American Capital Corporation sold its interest in the Mortgage Loan to Deutsche Mortgage & Asset Receiving Corporation, which in turn, deposited the Mortgage Loan into a trust (the "Trust"). Deutsche Bank Securities Inc., Banc of America Securities LLC, J.P. Morgan Securities Inc. and Lehman Brothers Inc. were the initial purchasers of the interests in the Trust, and in turn, certain investors (the "Certificate Holders") bought the interests held by those initial purchasers. The Certificate Holders were then issued certificates (the "Certificates") representing beneficial interests in the Trust. There are various classes of Certificates.

15. The rights of the Certificate Holders are governed by the Trust Agreement and the Servicing Agreement, each dated as of February 1, 2006 (such Trust Agreement and Servicing Agreement, as each may have been amended, modified or supplemented, collectively, the "Trust and Servicing Agreement"), by and among Deutsche Mortgage & Asset Receiving Corporation (the "Depositor"), as depositor, LNR Partners, Inc., as initial special servicer, Midland Loan Services, Inc. ("Midland"), as master servicer, and Bank of America, National Association, as

successor by merger to LaSalle Bank National Association, as trustee. Midland currently acts as the special servicer of the Mortgage Loan (in such capacity, the "Special Servicer," and together with the Depositor, the Mortgage Lender, and the Certificate Holders, the "Prepetition Secured Parties").

B. Mezzanine Loan Agreements.

16. The Mezzanine Borrowers[7] are borrowers under four separate Mezzanine Loan Agreements, each dated as of January 9, 2006 (collectively, the "Mezzanine Loan Agreements").[8] As described in the First Day Declaration, the Mezzanine Loans are secured by pledges of equity. The Mezzanine Loans are not secured by any of the Resorts or any of the other collateral securing the Mortgage Loan, including the cash and proceeds generated from the Resorts. As of the Petition Date, the outstanding aggregate principal balance under the Mezzanine Loans is approximately $525 million. The Mezzanine Loans mature on February 1, 2011. Although the Mezzanine Loans are non-recourse to the applicable Mezzanine Borrowers, there are certain non-recourse carve-outs under the Mezzanine Loans that are triggered if, among other things, an order for relief is entered with respect to a Mezzanine Borrower under the Bankruptcy Code through the actions of a Mezzanine Borrower or any of its affiliates at a time when the Mezzanine Borrower is able to pay its debts as they become due unless Mezzanine

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7 The "Mezzanine Borrowers" are the following twelve Debtors: MSR Resort Senior Mezz LLC; MSR Resort Senior Mezz, LP; MSR Resort Senior MREP, LLC; MSR Resort Sub Senior Mezz LLC; MSR Resort Sub Senior Mezz, LP; MSR Resort Sub Senior MREP, LLC; MSR Resort Intermediate Mezz LLC; MSR Resort Intermediate Mezz, LP; MSR Resort Intermediate MREP, LLC; MSR Resort Sub Intermediate Mezz LLC; MSR Resort Sub Intermediate Mezz, LP; and MSR Resort Sub Intermediate MREP, LLC.

8 Upon information and belief, as of the Petition Date, the Mezzanine Loans are held by Metropolitan Life Insurance Company; 450 Lex Private Limited, a Singapore corporation (on information and belief, the beneficial owner of which is the National Government of Singapore); C Hotel Mezz Private Limited (f/k/a RE NA Investments Private Limited), a Singapore corporation (on information and belief, the beneficial owner of which is the National Government of Singapore); and Five Mile Capital SPE B LLC (collectively, the "Mezzanine Lenders").

Borrower and guarantor receive an opinion of independent counsel that the general partner of the Mezzanine Borrower has a fiduciary duty to seek such relief. The non-recourse carve-out provisions of the Mezzanine Loans are guaranteed by the Guarantors.

C. Intercreditor Agreement.

17. Upon information and belief, the Mortgage Lender and the Mezzanine Lenders entered into an Intercreditor Agreement, dated as of January 9, 2006, that governs certain of their respective rights and interests in the Mortgage Loan and the Mezzanine Loans relating to, among other things, their rights and the exercise of remedies in connection with an Event of Default (as defined in the Intercreditor Agreement) and in the event of a bankruptcy filing of their respective borrowers, and the payment subordination of the Mezzanine Loans to the payment in full of the Mortgage Loan, including related enforcement and turn-over provisions.

The Debtors' Cash Collateral

18. As described in the First Day Declaration, the Debtors generate and receive funds primarily from payments by guests for stays at the Debtors' resort properties and for ancillary goods and services provided by such resorts. The Debtors use the cash generated to fund the properties' day-to-day operations and to service other business obligations. The proposed immediate use of the Cash Collateral is intended to provide working capital while the Debtors operate in chapter 11 pending the Second Interim Hearing. In addition, the Debtors intend to use the Cash Collateral to preserve the value of the Prepetition Secured Parties' other collateral, ensuring adequate protection for the Prepetition Secured Parties' interest.

Basis for Relief

19. The Debtors' use of property of their estates, including Cash Collateral,[9] is governed by section 363 of the Bankruptcy Code. Pursuant to section 363(c)(2) of the Bankruptcy Code, a debtor may use cash collateral as long as "(A) each entity that has an interest in such cash collateral consents; or (B) the court, after notice and a hearing, authorizes such use, sale, or lease in accordance with the provisions of this section." 11 U.S.C. § 363(c)(2). Here, the Special Servicer, on behalf of the Prepetition Secured Parties, consented to the Debtors' use of Cash Collateral pursuant to the terms set forth in the Interim Cash Collateral Order.

The Debtors' Interim Use of the Cash Collateral Should Be Approved.

20. Bankruptcy Rule 4001(b) provides that a final hearing on a motion to use cash collateral may not be commenced earlier than 14 days after service of such motion. The Court, however, is authorized to conduct an expedited hearing prior to the expiration of such 14-day period and to authorize the use of cash collateral where, as here, such relief is necessary to avoid immediate and irreparable harm to the Debtors' estates.

21. Without use of the Cash Collateral, the Debtors will have no ability to operate their business. For example, the Debtors will not be able to (a) honor their general working capital and operational obligations, (b) pay their vendors, (c) service their customers, or (d) pay their advisors, all of which are necessary to ensure that the Debtors are able to continue operating

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[9] The Bankruptcy Code defines "cash collateral" as follows:

> Cash, negotiable instruments, documents of title, securities, deposit accounts, or other cash equivalents whenever acquired in which the estate and an entity other than the estate have an interest and includes the proceeds, products, offspring rents, or profits of property and the fees, charges, accounts or other payments for the use or occupancy of rooms and other public facilities in hotels, motels, or other lodging properties subject to a security interest as provided in section 552(b) of this title, whether existing before or after the commencement of a case under this title.

11 U.S.C. § 363(a).

their business and restructure. Without access to the Cash Collateral, the Debtors' entire restructuring may be jeopardized to the significant detriment of the Debtors' estates, their creditors, and all of their constituents.

22. In light of the foregoing, the Debtors submit that they have satisfied the requirements of Bankruptcy Rule 4001(b) to support immediate Cash Collateral availability pending the entry of the Second Interim Cash Collateral Order. Accordingly, to forestall the immediate and irreparable harm that will inure to the Debtors' estate, creditors, and parties in interest absent Court approval of this Motion, the Debtors respectfully request that the Court grant the relief requested herein and authorize the immediate use of the Cash Collateral pursuant to the terms and conditions set forth in the Interim Cash Collateral Order.

Request for Second Interim Hearing

23. Pursuant to Bankruptcy Rules 4001(b)(2) and 4001(c)(2), the Debtors request that the Court set a date for the Second Interim Hearing that is in no event later than February 14, 2011, and fix the time and date prior to the Second Interim Hearing for parties to file objections to the Motion.

Motion Practice

24. This Motion includes citations to the applicable rules and statutory authorities upon which the relief requested herein is predicated and a discussion of their application to this Motion. Accordingly, the Debtors submit that this Motion satisfies Local Bankruptcy Rule 9013-1(a).

Waiver of Bankruptcy Rule 6004(1) and 6004(h)

25. To implement the foregoing successfully, the Debtors seek a waiver of the notice requirements under Bankruptcy Rule 6004(a) and the 14-day stay of an order authorizing the use, sale, or lease of a property under Bankruptcy Rule 6004(h).

The Debtors' Reservation of Rights

26. Nothing contained herein is intended or should be construed as an admission of the validity of any claim against the Debtors, a waiver of the Debtors' rights to dispute any claim, or an approval or assumption of any agreement, contract, or lease under section 365 of the Bankruptcy Code. The Debtors expressly reserve their right to contest any invoice or claim related to the relief requested herein in accordance with applicable non-bankruptcy law.

Notice

27. The Debtors have provided notice of this Motion to: (a) the Office of the U.S. Trustee for the Southern District of New York (the "U.S. Trustee"); (b) the entities listed on the Consolidated List of Creditors Holding the 30 Largest Unsecured Claims; (c) the special servicer under the Debtors' prepetition secured mortgage loan and holders of the Debtors' prepetition mezzanine loans; and (d) any party that has requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, the Debtors respectfully submit that no further notice is necessary.

No Prior Request

28. No prior request for the relief sought in this Motion has been made to this or any other court.

[Remainder of Page Intentionally Left Blank]

WHEREFORE, the Debtors respectfully request that the Court (a) enter the Interim Cash Collateral Order, substantially in the form attached hereto as **Exhibit A** and (b) grant such other relief as is just and proper.

New York, New York
Dated: February 1, 2011

/s/ Paul M. Basta

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Proposed Counsel to the Debtors and Debtors in Possession

EXHIBIT A

Proposed Interim Cash Collateral Order

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
MSR RESORT GOLF COURSE LLC, *et al.*,[1]	)	Case No. 11-10372 (SHL)
Debtors.	)	(Joint Administration Requested)

INTERIM ORDER AUTHORIZING CASH COLLATERAL USE, GRANTING RELATED RELIEF, AND SCHEDULING A SECOND INTERIM HEARING

Upon the motion (the "Motion")[2] of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Interim Cash Collateral Order") (a) authorizing the Debtors to use the prepetition secured parties' cash collateral and (b) scheduling a second interim hearing, all as more fully set forth in the Motion; and upon the First Day Declaration; and the Court having found that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court

1 The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number include: MSR Resort Golf Course LLC (7388); MSR Biltmore Resort, LP (5736); MSR Claremont Resort, LP (5787); MSR Desert Resort, LP (5850); MSR Grand Wailea Resort, LP (5708); MSR Resort Ancillary Tenant, LLC (9698); MSR Resort Biltmore Real Estate, Inc. (8464); MSR Resort Desert Real Estate, Inc. (9265); MSR Resort Hotel, LP (5558); MSR Resort Intermediate Mezz GP, LLC (3864); MSR Resort Intermediate Mezz LLC (7342); MSR Resort Intermediate Mezz, LP (3865); MSR Resort Intermediate MREP, LLC (9703); MSR Resort Lodging Tenant, LLC (9699); MSR Resort REP, LLC (9708); MSR Resort Senior Mezz GP, LLC (9969); MSR Resort Senior Mezz LLC (7348); MSR Resort Senior Mezz, LP (9971); MSR Resort Senior MREP, LLC (9707); MSR Resort Silver Properties, LP (5674); MSR Resort SPE GP II LLC (5611); MSR Resort SPE GP LLC (7349); MSR Resort Sub Intermediate Mezz GP, LLC (1186); MSR Resort Sub Intermediate Mezz LLC (7341); MSR Resort Sub Intermediate Mezz, LP (1187); MSR Resort Sub Intermediate MREP, LLC (9701); MSR Resort Sub Senior Mezz GP, LLC (9966); MSR Resort Sub Senior Mezz LLC (7347); MSR Resort Sub Senior Mezz, LP (9968); and MSR Resort Sub Senior MREP, LLC (9705). The location of the debtors' service address is: c/o CNL-AB LLC, 1251 Avenue of the Americas, New York, New York 10020.

2 All capitalized terms used but otherwise not defined herein shall have the meanings set forth in the Motion.

having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and the Court having found that the Debtors provided appropriate notice of the Motion and the opportunity for a hearing on the Motion under the circumstances; and the Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is GRANTED, and the use of the Cash Collateral is authorized on an interim basis, subject to the terms and conditions set forth herein. All objections to the relief sought herein or the entry of this Interim Cash Collateral Order that have not been withdrawn or resolved are overruled on their merits.

2. The Debtors shall not use any Cash Collateral except as permitted herein or as otherwise approved by the Court.

3. During the period commencing on the date of the entry of this Interim Cash Collateral Order and ending on February 14, 2011, at 11:59 p.m., prevailing Eastern Time, the Mortgage Borrowers are hereby authorized, subject to the terms and conditions of this Interim Cash Collateral Order, to use Cash Collateral for property level costs and expenses related to the Mortgage Borrowers; *provided*, *however*, that no Cash Collateral may be used by or transferred to any non-Mortgage Borrower.

4. Binding Effect. The provisions of this Interim Cash Collateral Order shall be binding upon and inure to the benefit of the Prepetition Secured Parties, the Debtors, and their

respective successors and assigns, including, without limitation, any chapter 11 or chapter 7 trustee hereinafter appointed or elected for the estate of any of the Debtors.

5. Immediate Effect. This Interim Cash Collateral Order shall constitute findings of fact and conclusions of law and shall take effect and be fully enforceable immediately upon its entry. The fourteen (14) day stay provisions of Bankruptcy Rule 6004(h) are waived and shall not apply to this Interim Cash Collateral Order.

6. Second Interim Hearing. A hearing to consider entry of the Second Interim Cash Collateral Order shall be held on ____________ , 2011, at _________ __.m., prevailing Eastern Time (the "Second Interim Hearing").

7. Notice. The Debtors shall, within three (3) business days of entry of this Interim Cash Collateral Order, mail copies of a notice of the entry of this Order and notice of the date of the Second Interim Hearing, together with a copy of this Interim Cash Collateral Order and a copy of the Motion, to the parties having been given notice of the Hearing, to any party which has filed prior to such date a request for notices with the Court, and to counsel for any statutory committee appointed pursuant to section 1102 of the Bankruptcy Code.

8. Time to File Motion. The Debtors may file a subsequent Motion for continued use of Cash Collateral (the "Second Interim Cash Collateral Motion") to be heard at the Second Interim Hearing; *provided* that such motion shall be filed no later than 11:59 p.m., prevailing Eastern Time, at least one business day prior to the Second Interim Hearing.

9. Objections to Second Interim Cash Collateral Motion. Parties seeking to object to the Second Interim Cash Collateral Motion may do so at any time up to and during the Second Interim Hearing. Parties that object prior to the Second Interim Hearing shall file a written objection with the United States Court Clerk for the Southern District of New York and such

objection shall be served so that the same is received on or before such date by: (i) Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022-4675 , Attn.: Edward O. Sassower (esassower@kirkland.com), Leonard Klingbaum (leonard.klingbaum@kirkland.com), and Chad J. Husnick (chad.husnick@kirkland.com) proposed counsel to the Debtors; (ii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn.: Paul Schwartzberg; and (iii) Milbank, Tweed, Hadley & McCloy LLP, 601 S. Figueroa St., 30th Floor, Los Angeles, California 90017, Attn.: Mark Shinderman (mshinderman@milbank.com) and David B. Zolkin (dzolkin@milbank.com), counsel to the Special Servicer.

10. The Debtors and the Resort Managers are authorized to continue performing under the terms and conditions of the Resort management agreements in the ordinary course of business pursuant to section 363 of the Bankruptcy Code and this Interim Cash Collateral Order and the Resort Managers and the Debtors can, pursuant to the Resort management agreements: use their operating accounts, reserve accounts, and other Resort accounts, in the ordinary course of business and regardless if any obligations arose prepetition, for the (x) reimbursement of Resort Managers for, or direct payment of, Necessary Expenses[3] in the ordinary course of business and consistent with past practices to the Resort Managers or to third parties who have provided, or may provide, goods, services, and other requisite items necessary for operations of the Resorts, (y) honoring of customer obligations and customer deposits, and (z) payment of management fees owed to the Resort Managers.

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3 "Necessary Expenses" means Resort employees, Resort vendors, service providers, utilities, insurance, tax obligations, Resort management fees, reimbursement for operational costs (*e.g.*, reservation systems, rewards costs, benefits) and other expenses generally defined as "Deductions" under the applicable Resort Management Agreement.

11. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied.

12. Notice of the Motion as provided therein shall be deemed good and sufficient notice as such motion and the requirements of Bankruptcy Rule 6004(a) and the Local Bankruptcy Rules are satisfied by such notice.

13. All time periods set forth in this Interim Cash Collateral Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

14. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Interim Cash Collateral Order in accordance with the Motion.

15. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation of this Interim Cash Collateral Order.

Dated:
New York, New York

THE HONORABLE SEAN H. LANE
UNITED STATES BANKRUPTCY JUDGE